

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

SHARON PATERSON,  
Plaintiff,  
v.

No. 2:05-CV-00827-MCE-JFM

MEMORANDUM AND ORDER

CALIFORNIA DEPARTMENT OF  
GENERAL SERVICES, RAYMOND  
ASBELL, and INTER-CON SECURITY  
SYSTEMS, INC.,  
Defendants.

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Presently before the Court is Defendant Inter-Con Security  
Systems' ("Inter-Con") motion to reduce punitive damages.<sup>1</sup>

Plaintiff brought this action seeking damages for sexual  
harassment and retaliation under both California and federal law.  
The matter was submitted to a jury which found in favor of  
Plaintiff.

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<sup>1</sup> Because oral argument will not be of material assistance,  
the Court orders this matter submitted on the briefs. E.D. Cal.  
Local Rule 78-230(h).

1 The jury also found that Plaintiff was entitled to punitive  
2 damages under the standard provided by Title VII, but that  
3 Plaintiff was not entitled to punitive damages under the stricter  
4 standard provided by California's Fair Employment and Housing Act  
5 ("FEHA"). The jury then awarded Plaintiff punitive damages in  
6 the amount of \$4,137,500.00. Defendant now moves to reduce the  
7 amount of punitive damages in accordance with Title VII's  
8 \$300,000 cap on damages.

9 Section 1981a caps damages in a Title VII action at \$300,000  
10 for an employer who employs more than 501 employees. Inter-Con  
11 admits that it employs more than 501 employees. This cap does  
12 not apply to state law claims. According to Ninth Circuit case  
13 law, where the verdict does not differentiate between claims in  
14 awarding damages, the Court has discretion regarding how to  
15 allocate the damages award and the Court has a general obligation  
16 to uphold lawful jury awards wherever possible. *Passantino v.*  
17 *Johnson & Johnson Consumer Prod., Inc.*, 212 F.3d 493, 509-510  
18 (9th Cir. 2000); *Pavon v. Swift Transp. Co.*, 192 F.3d 902, 910-  
19 911 (9th Cir. 1999).

20 Plaintiff does not dispute that the Title VII cap applies to  
21 the jury's award of punitive damages under Title VII. She seeks  
22 to reserve her argument on appeal that she is entitled to the  
23 entire amount under state law. Accordingly, Plaintiff's punitive  
24 damage award shall be reduced to \$300,000.00 as required by Title  
25 VII. Inter-Con further requests that the Court further reduce  
26 the award by applying the cap to Plaintiff's compensatory damages  
27 and by the settlement agreements Plaintiff reached with other  
28 defendants. The Court declines to so reduce Plaintiff's award.

1 The Court is well within it's discretion to allocate the  
2 entire compensatory damage award to Plaintiff's state law claims  
3 and to allocate the punitive damages to her federal claims.  
4 Further reducing Plaintiff's damages would not comport with this  
5 Court's "general obligation to preserve lawful jury awards when  
6 possible." *Passantino*, 212 F.3d at 510.

7  
8 **CONCLUSION**  
9

10 For the foregoing reasons, Defendant Inter-Con's Motion to  
11 Reduce the Award of Punitive Damages is GRANTED. The Clerk of  
12 the Court is directed to enter an amended judgment reducing the  
13 award of punitive damages to \$300,000.00.

14 IT IS SO ORDERED.

15 Dated: September 9, 2008

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18 MORRISON C. ENGLAND, JR.  
19 UNITED STATES DISTRICT JUDGE  
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